

Deed Restriction

The Deed Restriction restricts the title to the property, safeguarding the property for purposes consistent with the GRANT for the duration of the CONTRACT PERFORMANCE PERIOD.

If the GRANTEE owns the PROJECT land, a Deed Restriction must be recorded on the title to the property before OGALS will approve any grant payments except an advance into escrow and pre-acquisition costs. A Deed Restriction *is not required* if the GRANTEE does not own the PROJECT land, such as where the GRANTEE is improving property it has access to under a lease agreement.

Deed Restriction Instructions

Before filing the Deed Restriction, the GRANTEE must own the PROJECT land, and have an encumbered CONTRACT for the GRANT amount.

The PROJECT OFFICER will send the Deed Restriction to the GRANTEE. *Do not alter the Deed Restriction.* The GRANTEE takes the following steps:

1. Add ownership information to **Paragraph I of the Deed Restriction:** [formal name of GRANTEE] *Insert ownership information as it appears on the deed.*
2. *Create 3 copies (GRANTEE copy, OGALS copy and recorder's copy) of the Deed restriction and the required attachments:*

Exhibit A: Label this attachment "Exhibit A (Legal Description of Property)" and include a formal legal description of every parcel of property to which grant funds will be used for the development and/or acquisition thereof. This information can be obtained from the grant deed or title policy. (The assessor's parcel number or a street address is NOT a valid legal description.) and,

Exhibit B: Label this attachment "Exhibit B (Grant CONTRACT)" and include a complete copy of the Grant CONTRACT and provisions signed by the AUTHORIZED REPRESENTATIVE and the State of California.

3. *Notarize it:* Take 3 copies of the following documents to a notary. OGALS recommends submitting these documents to the PROJECT OFFICER for review prior to notarizing.

- Unsigned and undated Deed Restriction
- Exhibit A (Legal Description of Property)
- Exhibit B (Grant CONTRACT)

The AUTHORIZED REPRESENTATIVE dates and signs the Deed Restriction signature page in the presence of a notary. The notary will complete a Notary Acknowledgement (Civil Code §1189).

4. *Record it:* Take 3 copies of the notarized documents bulleted above to the County Recorder's Office of the county in which the property is located. Ask the County Clerk to record the Deed Restriction with Notary Acknowledgement, Exhibit A, and Exhibit B, on the title to the property.

5. *Send it:* Make sure to send a copy of the notarized and recorded Deed Restriction, Exhibit A, and Exhibit B to the OGALS Project Officer.